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Marine Outlook

Highlights of the Marine Industry

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PORTS IN QUÉBEC

Montreal

Unveiling of Vision 2020 Project

The tonnage handled at the Port of Montreal totalled 6 Mt during the first 2008 quarter, or an increase of 9% compared to the same period of the previous year. This increase can be explained by the 13% tonnage increase of containerized cargo and 21% of petroleum products. On the other hand, the dry bulk cargo sector experienced a 5% decline. The port welcomed 302 ships, some 10 less than the first quarter of 2007.[1]

In April, the Montreal Port Authority revealed the 2020 Vision project whose goal is to increase the port's capacity and to develop new markets from now until 2020. The project includes four stages:

1. The optimization of current infrastructures in order to expand operational efficiency and the port's capacity.
2. The replanning of existing lands for an optimal storage of bulk and containers.
3. The development of new infrastructures.
4. The expansion of the port's handling capacity to 4.5 million containers TEU (twenty-foot equivalent unit).[2]

Québec

Increase in handled tonnage

As of March 31, 2008, the handled tonnage at the Port of Québec totalled 4.8 Mt, or a 4% increase. The strong 23% increase of dry bulk cargo more than compensated for the small 1% decrease on liquid cargo. Moreover, the port welcomed 217 ships during the year's first quarter.[3]

Sept-Îles

The boost in iron ore production benefits the Port of Sept-Îles

The Port of Sept-Îles experienced an exceptional year beginning. In fact, in terms of the first quarter, 4.5 Mt of commodities was handled at the port, these were mainly

[1] Montreal Port Authority.

[2] "L'Administration portuaire de Montréal dévoile son projet qui produira des retombées économiques annuelles de 3,4 milliards de dollars pour Montréal" (The Montreal Port Authority reveals its project that will produce annual economic benefits of 3.4 billion dollas for Montreal), Press Release, Montreal Port Authority, 17 April 2008.

[3] Québec Port Authority.

composed of concentrate and iron pellets. This is a 45% increase compared to the first quarter of 2007. In parallel, the port welcomed 84 ships, or some 10 more than for the same date of the previous year.[4]

The Port of Sept-Îles has the wind in its sails, so much so that from now to 2010, we predict handling 35 Mt of commodities per year. This strongly anticipated increase can be explained by the boost in production iron mines north of Sept-Îles. In fact, the price of iron has tripled over the last six years, which has benefited the expansion projects of the production North Shore mining companies.[5]

For its part, Iron Ore of Canada (IOC) recently announced investments of $500 M in the scope of the first stage of major mining undertakings, which will contribute to making the production of iron pellets go from 17 to 22 Mt over the next two years. A second investment stage of $500 M is also in the forecast, which would make it possible for the mine to increase its production to 25 Mt. To this can be added the 7 Mt from Wabush Mines and the 7 Mt from the new Consolidated Thompson iron mine in Lake Bloom, which also supplies the port in iron ore.[6]

Furthermore, The Sept-Îles Port Authority is tabling several projects. Accessible year round, the Port of Sept-Îles is a deep-water port that has more than enough space for the transhipment of several categories of commodities. The port has notably delineated pieces of land where cargo transhipments could take place for added value or even for container ships. This being said, it should be mentioned that the port could easily welcome the additional transhipments that could eventually be produced by a phase 3 implementation by the Alouette aluminum plant, if the occasion arises.[7]

Port-Cartier

Increase in handled tonnage

During the first 2008 quarter, the tonnage handled at the Port of Port-Cartier totalled 2.8 Mt, or 18% more than the same period of the previous year. This improvement can mainly be explained by the increase in iron pellet tonnage. In terms of traffic, 47 ships transited through the port.[8]

Port-Alfred

Increase in handled tonnage

As of March 31, 2008, the tonnage handled at the Port of Port-Alfred totalled 1.1 Mt, or 18% more than during the first quarter of the previous year. Despite the decreases in green coke and fuel oil, aluminum, bauxite, fluorite and sodium hydroxide tonnages recorded increases. In terms of traffic, 31 ships transited through the port between January and March 2008.[9]

Sorel-Tracy

Increase in handled tonnage

As of March 31, 2008, the tonnage handled at the Port of Sorel-Tracy totalled 780,000 t, or 53% more than on the same date of the previous year. This performance can partially be explained by the increase of iron titanium trioxide handled. In parallel, 36 ships transited through the port during the first quarter of the year.[10]

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[4] Sept-Îles Port Authority.
[5] "IOC – Nouveaux projets d'expansion (New IOC expansion projects", Radio-Canada Website, February 19 2008.
[6] Ramsay, Charles-Albert, "L'avenir passe par les ports" (The future passes through the ports), Les Affaires, from February 23 to 29 2008; "Bouletage à Sept-Îles – Terry Bowles parle d'étude" (Pelletization in Sept Îles – Terry Bowles speaks of studies), Journal Nord-Côtier, March 14 2008.
[7] Asselin, Nicolas, "Administration portuaire de Sept-Îles – Le meilleur premier trimestre en 12 ans" (The Sept Îles Port Authority – The best first quarter in 12 years), Journal le Nord-Côtier, March 14 2008.
[8] Port-Cartier Port Authority.
[9] Port-Alfred Port Authority.
[10] "Detailed report of tonnage handled in the harbours and ports of Québec", Transport Canada, 2007 and 2008.

Baie-Comeau

Increase in handled tonnage

As of March 31, 2008, the tonnage handled at the Port of Baie-Comeau totalled 540,000 t, or 24% more than on the same date in 2007. The increase in aluminum ore, newspaper, grains and cereals mainly explains this tonnage hike. In terms of traffic, 34 ships docked in Baie-Comeau during the year's first quarter.[11]

To this tonnage 170,130 t of commodities must be added that transited through the Port of Baie-Comeau (and also through the Port of Matane) via the *Georges-Alexandre-Lebel* during the first quarter. This represents a 5% increase compared to the same period of last year. This progress is attributable to a tonnage increase of newspaper and aluminum. As for lumber tonnage, it experienced a drop of 61% compared to the first quarter of last year.[12]

Between January and March 2008, the train ferry conducted 96 round trips, or 5 more than in the first quarter of 2007, but, all the same, 35 less than for the same period of 2006. Let us recall that the number of crossings decreased between Baie-Comeau and Matane in 2007, because of the closure of several SMEs of the forestry industry.[13]

Trois-Rivières

Increase in handled tonnage

As of March 31, 2008, the tonnage handled at the Port of Trois-Rivières totalled 455,000 t, or a 3% improvement over the same period in 2007. Moreover, the ship welcomed 31 ships during the year's first quarter.[14]

[11] "Detailed report of the tonnage handled in the harbours and ports of Québec", Transport Canada, 2007 and 2008.
[12] "Reports of tonnages handled on the *Georges-Alexandre-Lebel* train ferry", SOPOR et COGEMA, 2008 and 2007.
[13] Ibid.
[14] Trois-Rivières Port Authority.

Bécancour

Development of a terminal for receiving wind turbine components

As of March 31, 2008, the tonnage handled at the Port of Bécancour totalled 301,000 t, or 14% less than the same period in 2006. The absence of steel, quartz, sodium hydroxide and magnesite transhipments largely explains this regression in total tonnage. In parallel, the Port of Bécancour welcomed 23 ships, or 5 less than in the first quarter of 2007.[15]

Moreover, the port authorities will soon carry out the development of a special terminal to unload wind turbine components produced by the Marmen manufacturing business. The terminal will be capable of receiving 1,350 sections of wind towers per year and will thus increase its annual traffic by approximately 35 additional ships.[16]

Port-Saguenay

Decrease in handled tonnage

As of March 31, 2008, the tonnage handled at the Port of Port-Saguenay totalled approximately 59,000 t, or 9% less than the first quarter of 2006. The 90% jump in de-icing salt, due to the severe winter, was not enough, however, to compensate for the drops in wood pulp, aluminum, sodium hydroxide and liquid pitch tonnages. Furthermore, the port has welcomed 8 ships since the start of the year.[17]

The promoters of Groupe Énergie Grande-Anse who support the construction of the liquefied natural gas carrier terminal at the Port of Port-Saguenay will first have to make certain to secure themselves a regular supply of liquid natural gas if they hope to see their project

[15] Bécancour Port Authority.
[16] "Des éoliennes transportées par bateau au parc industriel et portuaire de Bécancour" (Wind turbines transported by ships to the industrial and port park of Bécancour), Courrier Sud, April 5 2008.
[17] St-Gelais, François, "Baisse des activités - Les navires ont laissé 189 000 tonnes de marchandises à Grande-Anse en 2007" (Drop in activities – Ships left 189,000 tons of cargo in Grande-Anse in 2007), Le Quotidien, January 4 2008.

completed. Thus, on international markets, competition is very fierce, since all forms of energy, including natural gas, are in high demand in Asia. The main stakes for the promoters consist of signing a supply contract with a future supplier, which will then facilitate the project's financing arrangements. Whatever the case may be, let us mention that the project is also encountering opposition from the region's population[18]

Rimouski

Decrease in handled tonnage

At the end of March 2008, the total tonnage handled at the Port of Rimouski rose to 44,000 t, or 7% less than the same period of the previous year. A drop in petroleum product transhipments explains this decrease. Besides, the port welcomed 9 ships during the first quarter.[19]

Matane

Decrease in handled tonnage

At the end of March, the tonnage handled at the Port of Matane totalled 36,100 t, or 15% less than the same date of the previous year. The drop in wood pulp and fuel transhipments largely explains this drop in tonnage. As for traffic, the port welcomed 5 ships during the year's first quarter.[20]

On the other hand, 170,130 t has to be added to this tonnage. These were commodities that transited through the port via the *Georges-Alexandre-Lebel* during the year's first quarter *(see Port of Baie-Comeau, p.3)*.[21]

[18] St-Gelais, François, "Énergie Grande-Anse – Thibault passe deuxième" (Énergie Grande Anse – Thibault comes in second), Le Quotidien February 8 2008.
[19] "Detailed report of the tonnage handled in the harbours and ports of Québec", Transport Canada, 2007 and 2008.
[20] Ibid
[21] "Reports of tonnages handled on the *Georges-Alexandre-Lebel* train ferry", SOPOR et COGEMA, 2006 and 2007.

Pointe-au-Pic

Decrease in handled tonnage

As of March 31, 2008, the tonnage handled at the Port of Pointe-au-Pic totalled 19,300 t, this being a decrease of 32%. This tapering can be entirely explained by the drop in newspaper tonnage.[22]

Gaspé

Increase in handled tonnage

As of March 2008, the tonnage handled at the Port of Gaspé rose to 17,000 t, or an increase of 67% compared to the first quarter of last year. The growth in fuel and petroleum product transhipments entirely explains this increase. In parallel, the port welcomed 5 ships during the year's first quarter.[23]

Gros-Cacouna

Methane tanker terminal project is delayed

As of March 31, 2008, the tonnage handled at the Port of Gros-Cacouna neared 11,000 t, or 45% less than the same period of last year. The drop in newspaper transhipments entirely explains this drop in tonnage in Gros-Cacouna. In terms of marine traffic, the port has welcomed 3 ships since the start of the year.[24]

Furthermore, the Gazoduc Trans Québec & Maritimes Company interrupted all construction work for a gas pipeline project that was to connect the future methane tanker terminal of Gros-Cacouna to its current transport network in Lévis. This decision followed Énergie Cacouna's decision, a consortium made up of Petro-Canada and TransCanada, to postpone the opening of its methane tanker terminal and its liquefied natural gas regasifying plant until

[22] "Detailed report of the tonnage handled in the harbours and ports of Québec", Transport Canada, 2007 and 2008.
[23] Ibid
[24] "Detailed report of the tonnage handled in the harbours and ports of Québec", Transport Canada, 2007 and 2008.

2014. Énergie Cacouna wants to first be certain of having a natural gas supply.[25]

SUMMARY OF THE FIRST QUARTER OF 2008

Estimate and comparison of tonnages handled in the major ports of Québec during the first quarters of 2007 and 2008

List of ports	2008 Jan. - March	2007 Jan. - March	Trend[26] 2008 / 2007
1. Montreal	6 Mt	5.5 Mt	+ 9 %
2. Québec	4.8 Mt	4.6 Mt	+ 4 %
3. Sept-Îles	4.5 Mt	3.1 Mt	+ 45 %
4. Port-Cartier	2.8 Mt	2.3 Mt	+ 18 %
5. Port-Alfred	1.1 Mt	933 kt	+ 18 %
6. Sorel	780 kt	510 kt	+ 53 %
7. Baie-Comeau [27]	540 kt	437 kt	+ 24 %
8 Trois-Rivières	455 kt	440 kt	+ 3 %
9. Havre-Saint-Pierre	N/A	N/A	—
10. Bécancour	301 kt	352 kt	- 14 %
11. Port-Saguenay	59 kt	65 kt	- 9 %
12. Rimouski	44 kt	47 kt	- 7 %
13. Matane [27]	36 kt	42 kt	- 15 %
14. Pointe-au-Pic	19 kt	29 kt	- 32 %
15. Gaspé	17 kt	10 kt	+ 67 %
16. Gros-Cacouna	11 kt	19 kt	- 45 %
Total	**22.9 Mt**	**20.1 Mt**	**+ 16 %**

Sources: Port authorities and Transport Canada

Compilation: DRPE, Fisheries and Oceans Canada, Québec region

M: millions; k: thousands

MARINE SAFETY

The Canadian Government cracks down on all marine safety violations

Transport Canada recently implemented a new regulation on administrative financial penalties. This regulation involves a new way of implementing marine safety requirements without having recourse to the prosecution system. Maximum fines of $25,000 can now be charged for serious offences to the *2001 Canada shipping Act*.[28]

SEAWAY

Opening of the 2008 boating season

On March 26 last, the St. Lawrence Seaway Management Corporation inaugurated its 50th boating season. Recognizing the vital role the seaway plays in the economy and wanting to guarantee the maintenance of its reliability, the Seaway Management Corporation will invest, with the aid of Transport Canada, $270 M into the renewal of the network over the next five years. In order to increase traffic, the Corporation launched several strategies, including a revised pay toll and various incentives and dividends aimed at attracting new clientele into the network. A plan was also adopted to attract new ships and cargos into the network's locks and channels[29]

GLOBAL MARITIME TRANSPORT

Growth of international shipping trade

According to the United Nations Conference on Trade and Development, international shipping trade is experiencing large growth; a trend explained by a dynamic global economy. In 2006, international shipping trade increased by 4.3% to reach 7.4 billion tons. Over one-third of products transported by ship were composed of crude oil and petroleum products.[30]

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[25] Couture, Pierre, "Le gazoduc de TQM sur la glace" (TQM's gas pipeline on ice), Le Soleil, March 27 2008; "Énergie Cacouna stoppe son projet de gazoduc" (Énergie Cacouna puts the brakes on their gas pipeline project), Les Affaires, March 26 2008.

[26] The tonnage trends are calculated using non rounded handled tonnage data.

[27] These data do not include the tonnage transiting through the Ports of Baie-Comeau and Matane via the *Georges-Alexandre-Lebel* train ferry.

[28] "Un nouveau règlement fixe des amendes pour sévir contre toute violation à la sécurité maritime" (A new regulation sets out financial penalties to fight against all marine safety violations), Press release, Transport Canada, April 16 2008.

[29] "La Voie maritime ouvre sa 50e saison de navigation" (The Seayway opens its 50th boating season), The Great Lakes/St Lawrence Seaway System, March 26 2008.

[30] "La marine marchande en pleine expansion grâce à l'Asie" (Shipping trade is in full growth thanks to Asia), Maritime Magazine, No. 47.

MARITIME TRANSPORT IN CANADA

ollar
The effect of the climbing Canadian do on maritime transport in Canada

the last
The force of the global economy from tial for few years has been greatly benefi con that shipping trade in Canada. The questi istry is troubles the Canadian marine indus of the whether the current growth trend ined in Canadian shipping trade will be maintan of the 2008, taking into account the appreciatio merican Canadian dollar compared to the An currency.

ver the
In fact, the rise of the Canadian dollar o antage last year practically cancelled out the adv enjoyed in terms of costs that Canadian ports ers ago, compared to American ports. Two yea t 40% Canadians benefited from an almos ely due advantage in terms of costs, and this sol as now to the exchange rate. This advantage h cketing disappeared, notably due to the sky-ro.[31] costs of ground transportation in Canada.

lorth-
Moderate increase anticipated in the N west passage of marine transport

ic geo-
The Northwest passage is a strateg portant political issue for Canada but is not an im s, there trade issue. According to some experts tic will is no need to worry that the Canadian Ar arming become a marine highway with global w facilitating the passage.

ot be a
In fact, the Northwest passage would nes that route of interest to shipping compan ic to the wish to make their way from the Atlanti through Pacific or vice versa without passing tibilities, the Panama Canal. The delay poss gs and reduced speed due to drifting iceber s which elevated cost of insurance are all factors panies could greatly discourage shipping com aid, we from using the Northwest. This being san sport, do foresee an increase in maritime tra m this notably the transport of ore extracted fr

ook back

[31] Broad, Michael, "Regard en arrière et vers l'avant" (A l and forward), Maritime Magazine, No. 47.

region. Moreover, there will be more pleasure boats and more supplies brought in to local populations by ship.[32]

INTERMODAL TRANSPORT

Relaunch of the railway project in Port-Saguenay

The Saguenay Port Authority is reactivating the construction project of a railway to connect the Alcan network to its Grande-Anse terminal installations. The construction of a railway connected to de Roberval - Saguenay on the Jonquière section - La Baie would connect the Port of Grande-Anse to the Canadian rail network. The railway would thus facilitate the access of regional businesses to export markets and this, at competitive transportation costs.[33]

ENVIRONMENT

The river reached its lowest level in 2007

According to the Montreal Port Authority, the St. Lawrence River water level reached its lowest in 2007, or close to 50 centimetres below the normal level. This is a lot, but not much in terms of forecasting. In fact, in the event the St. Lawrence River reaches its worst case scenario in terms of water level, the water level in front of the Port of Montreal could reach 1.25 meters below its normal level over the next decades. This scenario could occur if the worst weather predictions - a very hot and dry climate - come to be in the American North-East.

This being said, the very vast majority of scientific predictions anticipate that there will be less water in the St. Lawrence in the near future. As well as having enormous environmental consequences, a significant decrease of the river's water level would have a

[32] Pelchat, Pierre, "Réchauffement de la planète - L'Arctique ne deviendra pas une autoroute" (Planet warming – The Arctic will not become a highway), Le Soleil, May 3 2008.
[33] Tremblay, Louis, "Grande-Anse – Relance du projet de chemin de fer" (Grande Anse—Relaunch of the railway project), Le Quotidien, May 7 2008.

major impact on the river's users. It would notably threaten commercial navigation upstream of Québec and would force, among other things, the reduction of berth shipment capacity.[34]

The St. Lawrence River could be threatened

A merit list composed of American environmentalists classifies the river among the most threatened water courses in North America. In fact, the *American Rivers* Company ranks the river in fourth place, behind the Catawba-Wateree River, in North Carolina, the Rogue, in Oregon and the Cache La Poudre River, in Colorado. It is the first time, since the establishment of such a merit list in 1986, that a Québec River makes the list. According to the company, the St. Lawrence River has been experiencing a living species decline for 50 years.[35]

COMMODITIES

Iron ore

Anticipated increase of Québec production of iron ore

The global demand for iron ore continues to be very strong. This strong increase is mainly due to the unrestrained Chinese economy growth. From that point on, Québec mines are expanding and new deposits are being mined. In this context, the Québec production will continue to grow in 2008.[36]

On the other hand, Consolidated Thompson will export its iron to China without first processing it in Québec. The Chinese will process it into pellets, to then turn it into steel. In fact, the Chinese iron ore is of poor quality and China greatly needs iron concentrate to manufacture good quality iron pellets. Furthermore, the Chinese have such a great need for iron ore that they have already signed a five year supply contract with Consolidated Thompson. Given that it is more costly to transport ore than pellets, the mining company plans to reduce its transportation costs by using larger ships with a 300,000 ton capacity. For the time being, the most important ore carriers to dock at the Port of Sept-Îles have a capacity of approximately 215,000 tons.[37]

Let us recall that Consolidated Thompson will exploit a mine in Lake Bloom near Fermont. The mining company will therefore invest $400 M and will annually export 7 Mt of iron concentrate for some thirty years. Also, starting in the spring of 2009, the mining company will begin expediting tons of iron concentrate to China.[38]

Grains and oilseeds

Anticipated increase in exports

Thanks to the seeded areas and to the improved yield, the most recent forecasts from the Department of Agriculture and Agri-Food have claimed a growing production of grains and oilseeds in Canada for 2008-2009 to total 65 Mt, this compared to the 60 Mt of 2007-2008. Consequently, Canadian exports should increase due to the larger supply.[39]

Aluminum

Strong global demand for aluminum

The perspectives for the aluminum market would appear to be excellent once again this year. The solid global demand contributes to the exceptionally elevated levels of aluminum courses and this, despite a slight surplus in the global supply. For now, the Chinese

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[34] Joncas, Hugo, "Le Saint-Laurent – Scénario catastrophe à l'horizon" (The St. Lawrence – Catastrophic scenarios on the horizon", Les Affaires, from October 20 to 26 2007.
[35] "Environnement – Le fleuve Saint-Laurent menacé" (Environment – The St. Lawrence River is threatened), Radio-Canada website, April 18 2008.
[36] "Analyses et prévisions économiques" (Economic analyses and forecasts), Export Development Canada, Fall of 2007.
[37] Ramsay, Charles-Albert, "Consolidated Thompson exportera son fer en Chine sans le transformer" (Consolidated Thompson will export its iron to China without processing it), Les Affaires, from February 23 to 29 2008.
[38] "Mine du lac Bloom – Feu vert de Québec" (Lac Bloom mine – Québec's green light), Radio-Canada website, March 7 2008.
[39] "Canada : perspectives des céréales et oléagineux" (Canada: grain and oilseed forecasts), Department of Agriculture and Agri-Food, March 6 2008.

consumption absorbs the massive production increases, because of the strong growth of industrial activities in China.[40] In this regard, the Canadian production of aluminum, mainly concentrated in Québec, should increase throughout the year. In fact, the most recent statistics on Canadian aluminum production tell of a 518,000 ton production, or a 3% increase compared to the same period of last year.[41]

For its part, the Québec Government announced, last March, that it accepted to financially support the Alcoa multinational in its project to modernize the aluminum smelter in Baie-Comeau. The government will therefore reserve 175 megawatts of electricity for this project and will lend $228 M, interest free. In terms of work, the aluminum smelter production should go from 400,000 to 548,000 tons of aluminum per year.[42]

Exploration Orbite has sealed an agreement with the Alouette aluminum smelter in Sept-Îles to mine the red clay deposit of Grande-Vallée, in Gaspésie. The mining company in fact expects to test an aluminum extraction process of high purity. The red clay of Grande-Vallée will then be transported on the North Shore by barges or trucks. Let us recall that the bauxite and alumina required for the Canadian production of aluminum are entirely imported from abroad, notably from South and Central America, Oceania and Africa.[43]

Lumber and newspaper

Anticipated drop in Canadian exports

The sombre forecasts of the American housing sector and the spectacular increase of the Canadian dollar promise another difficult year for the Canadian lumber industry. In a slowing economic context, we join the United States in a decrease of new house constructions and in a tightening of mortgage loans, consequence of the recent cut-rate mortgage crisis. According to Export Development Canada (EDC), Canadian lumber exports should take a downward turn of 11%.[44]

Anticipated decrease of Canadian production

In the newspaper sector, the conditions remain very difficult for Canadian producers. The force of the Canadian dollar, the high energy costs, the contraction of the North American demand, the growing Chinese competition, the increased cost of the fibre, and the increased cyberspace advertizing demand (to the disadvantage of written media) are all factors that allow us to foresee a downward trend of the Canadian production in 2008, a continuous trend since 2004. The 9.9% decrease of North American newspaper consumption in 2007 and the slowing American economy in 2008 allow us to foresee another nosedive in 2008.[45]

FERRIES

Shuttle service project between Sillery and Lévis

The Commission de la capitale nationale du Québec (CCNQ) wishes to have a pluvial shuttle for pedestrians and cyclists to ensure the connection between the Samuel-de-Champlain promenade and banks of Lévis. For now, this is merely a simple project. Already, a few promoters have shown interest in conducting the shuttle between the two shores. However, all projects will have to be executed in concert with the Société des traversiers du Québec. If this ferry project were to be impossible to complete, the CCNQ could bid on a form of "water taxi" that would make it possible for those interested to get from one

[40] "Prévisions à l'exportation – janvier 2008" (Export forecasts – January 2008), Export Development Canada, January 2008.
[41] "Production des principaux minéraux du Canada" (Production of main Canadian ores), Natural Resources Canada, February 2008.
[42] "Alcoa – Une poignée de main de 1,2 milliard" (Alcoa - A 1.2 billion dollar hand-shake agreement), Radio-Canada website, March 4 2008.
[43] "Gisement d'argile rouge de Grande-Vallée – Exploration Orbite s'entend avec Alouette" (Red clay deposit in Grande Vallée – Exploration Orbite agreement with Alouette), Radio-Canada website, February 25 2008.
[44] "Prévisions à l'exportation – janvier 2008" (Export forecasts – January 2008), Export Development Canada, January 2008.
[45] Ibid

shore to the other on demand, for a higher fee.[46]

INTERNATIONAL CRUISES

$100 M investment for St. Lawrence cruises

The Québec and Canadian governments will invest approximately $100 M over the next five years in order to develop a port visiting network and this, in order to increase the number of cruise ships on the St. Lawrence. The objective of these investments is to enrich the tourism supply and to improve the welcoming infrastructures of certain coastal municipalities to attract cruise companies. The areas targeted are Saguenay, Sept-Îles, Baie-Comeau, Gaspé, Havre-Saint-Pierre and the Magdalen Islands. According to the Association des croisières du Saint-Laurent, the addition of six trips on the river could make the number of annual cruises reach 400,000 by 2014, or four times more than in 2006.[47]

A record number of cruise passengers anticipated for Québec in 2008

The next international cruise season in Québec looks to be interesting. In fact, the port will welcome a record 78,000 cruise passengers, or 18% more than last year. The 18 ships expected will conduct no less than 89 visits from May to October, or 15 more than in 2007. Also, it is anticipated that 140,000 cruise passengers will visit one of the port of calls on the St. Lawrence in 2008. This is a 32% increase over last year.[48]

A new cruise leaving port from Québec

A first is on the verge of being inaugurated in the cruise industry on the St. Lawrence. In fact, it will from now on be possible to go on a cruise of the St. Lawrence leaving port from Québec, aboard a 250-foot sailboat, the *Caledonia* that can transport over 70 passengers. The sailboat's owner, the *Canadian Sailing Expeditions* shipping line, will offer six one-week cruises this summer. The cruise's itinerary plans to visit Tadoussac, in the Saguenay fjord, the Île-aux-Lièvres, La Malbaie and Grosse-Île. Moreover, a nine-day cruise to Newfoundland is planned, still leaving port from Québec.[49]

Sept-Îles prepares to welcome its first cruise ship in 2009

The Port of Sept-Îles only has some fifteen months left to be completely ready to welcome its first cruise ship, the *Holland America Line*. From now until May 19, 2009, the Port of Sept-îles will have to finalize the welcoming infrastructures for cruise companies. In addition to Saguenay, Gaspé and Québec, three cities on the North Shore have joined in order to attract cruise ships. For example, Havre-Saint-Pierre offers cruise companies its archipelagos in Mingan and in Île d'Anticosti. Baie-Comeau is highlighting its Jardin des glaciers (garden of icebergs), a network of Tyrolese hiking trails. As for Sept-Îles, it plans to feature its Native community, the Innu from the Maliotenam and Uashat reservations.[50]

The Canadian cruise industry is growing

The Canadian cruise industry has experienced a 28% growth over the last four years, a trend that has also been observed in the ports of call of Québec. This is what has been revealed by a study conducted by the Business Research and Economic Advisors (BREA) branch on behalf of the Association des croisières du nord-ouest, a group to which the Association des croisières du Saint-Laurent belongs. The study also mentions that in 2007, some 1,000 visits were executed by cruise ships in various Canadian ports. These visits allowed the transit of two million passengers and produced direct

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[46] Lemieux, Julie, "Projet de navette entre Sillery et Lévis" (Shuttle project between Sillery and Lévis), Le Soleil, March 26 2008.
[47] Boivin, Simon, "100 millions $ pour les croisières" ($100 million for cruise companies), Le Soleil, May 7 2008.
[48] Pelchat, Pierre, "78 000 croisiéristes attendus à Québec" (78,000 cruise companies expected in Québec), Le Soleil, April 24 2008.
[49] Ibid
[50] Ramsay, Charles-Albert, "La croisière s'amusera bientôt à Sept-Îles" (A cruise ship will soon be entertaining in Sept-Îles), Les Affaires, February 23 2008.

and indirect economic benefits of 2.3 billion dollars.[51]

PLEASURE BOATING

Record participation during the next edition of the Transat Québec-Saint-Malo

The seventh Transat Québec - Saint-Malo organization announced that 36 ships, mono- and multi-hulls, from 40 to 60 feet, will depart from the Vieux-Port of Québec heading for Saint-Malo on July 20 next. This is a record participation. A total of seven countries will be represented: France, Italy, England, Spain, Germany, Belgium and Canada.[52]

Some fifty sailboats for the Grande Traversée de l'Atlantique

On May 8, 48 sailboats left from La Rochelle in order to participate in the Grande Traversée de l'Atlantique. They were the making the same journey as Samuel de Champlain 400 years earlier. Pleasure boats will visit Gaspé, Rivière-au-Renard, Sainte-Anne-des-Monts, Rimouski, the du Bic harbour and Cap-à-l'Aigle. On each stop, they will be welcomed by the local population that will have a few activities planned for them. The sailboats are expected in the old capital, on June 24.[53]

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[51] St-Gelais, François, "L'industrie des croisières en croissance" (The cruise ship industry in expansion), Le Quotidien, March 28 2008.
[52] "Un total de 36 bateaux sont inscrits à la Transat Québec-Saint-Malo" (A total 36 ships are entered in the Transat Québec-Saint-Malo), La Presse Canadienne, April 17 2008.
[53] Lemieux, Julie, "50 voiliers pour la Grande traversée" (50 sail boats for the Great crossing), Le Soleil, April 24 2008.

COMMENTS

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